

FISCAL NOTE

HB 980 - SB 981

April 2, 2003

SUMMARY OF BILL: Provides that in addition to any other remedy permitted under law, when an employer's workers' compensation insurer is insolvent under state or federal law or in a proceeding under TCA 56-9, and neither the insurer or the employer has provided medical care to an injured worker, then the injured worker may seek relief from a court of competent jurisdiction to obtain an order compelling the employer to comply with the provisions of TCA 50-6-204(a).

ESTIMATED FISCAL IMPACT:

MINIMAL

For information purposes, under current law the Insurance Guaranty Fund provides compensation for claimants in the event of the insurer's insolvency, but there is no provision concerning the insurer's inability to pay losses while in rehabilitation. This bill will allow an injured employee to recover from the employer until the insurer is declared insolvent, at which time the injured employee can recover from the Guaranty Fund, or from the insurer when the insurer comes out of rehabilitation.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director